At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, July 27, 2004, the following members were present:

Bob Rowe, Chairman Thomas J. Schneider, Vice Chairman Matt Brainard, Commissioner Greg Jergeson, Commissioner Jay Stovall, Commissioner

APPEARANCE Eric Eck

(274) In the matter of Black Hills Power Opportunity to comment D2004.6.98: On June 30, 2004, BHP filed a Quarterly Fuel Rate Rider application. A Notice of Opportunity for Public Hearing was issued on July 2, 2004. Requests for hearing were due by July 26, 2004. No requests have been received. This application will decrease revenues by \$3,981 over the base cost of fuel approved in Docket No. 83.4.25. A default order has been drafted.

Commissioner Brainard moved to decrease revenues by \$3,981 over the base cost of fuel approved in Docket No. 83.4.25. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE Scott Fabel

(275) In the matter of Qwest Long Distance QLD N2004.7.109 and Qwest Communications Corporation QCC N2004.7.110: On July 13, 2004, Qwest Long Distance (QLD) filed Tariff Transmittal QLDC04-03 Choice Long Distance Option. In this filing QLD is introducing a new option to the Choice Long Distance Plan for residential customers. The new option to the Choice Long Distance Plan for residential customers. The new option provides free long distance at night and on weekends if the residential customer subscribes to a qualifying Qwest wireless service. The proposed effective date for the new option in the region is August 1, 2004.

Commissioner Stovall moved to approve Tariff Transmittal QLDC04-03, and Tariff Transmittal QCC04-03 Choice Long Distance Option, providing that it follows the order in the QLD Docket. Commissioner Schneider seconded the motion, which passed 3-2. Commissioners' Stovall, Schneider and Rowe voted aye. Commissioners' Brainard and Jergeson voted nay.

APPEARANCE

Wayne Budt, Administrator Transportation/Centralized Services Division

(276) In the matter of the approval of Commission minutes:

Commissioner Jergeson moved to approve the minutes for the week of July 19, 2004. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Gary Duncan, Monica Tranel

(277) In the matter of Qwest provisioning agreement for housing developments (PAHD) tariff filing N2004.12.175:

Commissioner Schneider moved to accept staff recommendations, including the requirement to include the drop allowance in the tariff and raise the cap to \$776.00. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel

(278) In the matter of Blackfoot and 180 Communications petition for Expedited Standstill Order D2004.7.112:

Commissioner Jergeson moved to issue a notice requesting comments on this filing and comments on how the Montana Commission should implement wholesale market rules post D.C. circuit. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Gary Duncan

(279) In the matter of the Commission's discussion of Organization of MISO States' comments to FERC:

Commissioner Jergeson moved that Montana be listed as supporting OMS comments and that Commissioner Jergeson be delegated authority to clarify where Montana would be positioned in the discussion on page 11. Commissioner Schneider seconded the motion, which passed 5-0.

Al Brogan

(280) In the matter of the Commission's discussion of MCC & NorthWestern Corporation Joint Motion for Entry of Consent Order - Docket No. D2003.8.109:

Commissioner Schneider moved to issue a notice of opportunity to comment and/or request a public hearing by August 9, 2004. If a hearing is approved by the Commission, the hearing will be conducted on August 31, 2004. Commissioner Jergeson seconded the motion, which passed unanimously.

Commissioner Schneider moved to issue a notice requiring NorthWestern Energy's first report on implementation of an infrastructure audit to be filed no later than Monday, August 30, 2004, at 5 p.m. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Wayne Budt

(281) In the matter of the Commission's discussion of Personnel/Budget matters:

Commissioner Jergeson moved to approve the PSC paying the PSC portion and Kim Moran's portion upfront upon satisfactory completion of the economics course at Carroll College, as required by a condition of employment. Commissioner Schneider seconded the motion, which passed unanimously.

(SEAL)